

Message Text

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50/63 S
ACTION EB-11

INFO OCT-01 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-11 RSC-01

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-04 PRS-01 SPC-03 SS-20 USIA-15 SAM-01 AID-20 FEA-02

SCI-06 OMB-01 CIEP-02 COME-00 INT-08 TRSE-00 AGR-20

DRC-01 /223 W
----- 036536

R 311245Z JAN 74
FM AMEMBASSY TEHRAN
TO SECSTATE WASHDC 5286
INFO AMEMBASSY ABU DHABI
AMEMBASSY BEIRUT
AMEMBASSY CARCAS
AMEMBASSY JAKARTA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY LONDON
AMEMBASSY ROME
AMEMBASSY TRIPOLI

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CORRECTED COPY (MRN 872 VICE 871)

STATE ALSO FOR T/IEP

E.O. 11652: GDS
SUBJECT: ENERGY: CRUDE OIL PRICES

REF: STATE 016493

BEIRUT PLEASE PASS BAGHDAD

1. WITHOUT WISHING TO ENGAGE IN POLEMICS OR LOCK HORNS
WITH STATISTICAL EXPERTS, WE WISH TO CALL THE DEPT'S
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ATTENTION TO THE FOLLOWING ARRAY OF PRICE INCREASES

(IN PERCENTAGES) OF COMMODITIES WHICH IRAN BUYS IN
LARGE QUANITITES FROM THE UNITED STATES. THESE ARE THE
BASES FOR MANY OF THE SHAH'S AND OTHER IRANIAN LEADERS'
SOMEWHAT ACERB REACTIONS TO SUGGESTIONS THAT OIL PRICES
HAVE GONE UP TOO HIGH.

SOURCE: CALCULATED PERCENTAGES FROM FAS WEEKLY COMMODITY
PRICES AND ALL COMMODITIES FOB US PORTS.

PCT CHANGE PCT CHANGE

SINCE SINCE

JAN 72 JAN 1, 73

COMMODITY

WHEAT #2 HARD WINTER ORDINARY PLUS 350 PLUS 190

WHEAT #2 WESTERN WHITE PLUS 360 PLUS 190

BARLEY #2 WESTERN PLUS 230 PLUS 150

CORN #3 YELLOW PLUS 220 PLUS 160

RICE #2 LONG GRAIN, 4PCT BROKEN PLUS 400 PLUS 230

COTTONSEED OIL, CRUDE BULK PLUS 190 PLUS 240

SOYBEAN OIL, CRUDE BULK PLUS220 PLUS 260

TALLOW, INEDIBLE PLUS 280 PLUS 220

WHEAT FLOUR BAGGED 11 PCT PROTEIN PLUS 340 PLUS 220

2. IRANIANS, AS WE, ARE SELECTIVE IN THEIR CHOICE OF
COMMODITY STATISTICS THEY USE. ON THE OTHER HAND
EMBASSY FINDS IT VERY DIFFICULT TO HANDLE CONVINCINGLY THE
74. PERCENT INCREASE IN MAJOR AGRICULTURAL COMMODITIES AND
INDUSTRIAL RAW MATERIALS CITED IN THE JAN 15, 1974 INR REPORT
ON THIS SUBJECT.

3. IT APPEARS TO THIS EMBASSY THAT AN AGREED AND NON-
CONTROVERSIAL SET OF STATISTICS WHICH PAYS HEED TO
CLEARLY EVIDENT PRICE INCREASES MUST BE FORMULATED AND
SOON. OTHERWISE, THE EVENTUAL DIALOGUE BETWEEN OIL CONSUMERS
AND PROCUDERS IS BOUND TO GET OFF TO A BAD START. THE OPEC
COUNTRIES IN THE MAIN BELIEVE THEY HAVE A GRIEVANCE AND
IT IS DEALING WITH THAT GRIEVANCE WHICH THE WHOLE EXERCISE
IS ABOUT.
HELMS

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NNN

Message Attributes

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